

**INVESTMENT OPERATIONS  
Status Report**

Program	Status/Comments
<b>RFP – Investment Consulting Services – Diversity</b>	The RFP was issued on January 20, 2006. Responses were due on or before February 22. At the April 17, 2006 meeting, the Committee approved the selection of four firms for the spring-fed pool, subject to successful contract negotiations. A protest was filed and has been resolved in favor of CalPERS. Pool contracts are scheduled to be executed and effective as of August 1.
<b>Emerging Manager and Financial Service Provider Database</b>	The database is being developed by Altura Capital. The deadline for interested parties to join the CalPERS/CalSTRS joint database was July 17, 2006. The database is scheduled to "go live" by the end of the calendar year.
<b>Review of Investment Policies / Delegations</b>	Staff presented the project scope to the Policy Subcommittee at the April 14 meeting. An update on the delegations portion of the project was presented at the July Board Off-Site. An update is scheduled for the August Policy Subcommittee meeting.
<b>State Street Master Custody Contract</b>	CalPERS and State Street have reached agreement on all but one item for the new contract period. Staff continues to work with State Street and the Information Security Office to reach agreement on the information security requirements that will apply to this contract. Staff anticipates resolution of the issue by July 31, 2006.
<b>Real Estate Pension Consultant</b>	Staff is working with the consultant to revise the contract as requested by the Committee and will present the proposed revisions at the September Investment Committee meeting.